86th YEAR. No. 34,316.



YOU BET YOUR LIFE.

THERE ISN'T,

ADOLF!

The only evening paper in Washington with the Associated Press News and Wirephoto Services.

(AP) Means Associated Press.

WASHINGTON, D. C., THURSDAY, APRIL 14, 1938-FIFTY-EIGHT PAGES. *** 'N:TO, THERE'S NO DOUBT IN YOUR HEART ABOUT YOUR FEELINGS TOWARD ME?

Entered as second class matter THREE CENTS.

\$3,012,000,000 IS URGED RAILROADS IN EAST BY PRESIDENT TO AID REFUSED BOOST IN IN NATIONAL RECOVERY PASSENGER FARES

Spending Program Now Is Swelled to \$4,512,000,000.

BANK RESOURCES MAY ASSIST PLAN

Roosevelt Calls on All Classes to Help in Congress Message.

BACKGROUND-

Mounting unemployment accompanying current business depression has been major tactor in persuading administration leaders they must resort to Federal pump-priming and work relief again. Amplification of Presidential message to Congress is to come tonight in radio

By G. GOULD LINCOLN.

President Roosevelt laid before

Congress today a program calling for an outlay of \$3,012,000,000 of Federal funds to relieve unemployment and to aid recovery

This is in addition to the \$1,500,-000,000 which Congress already has authorized ithe Reconstruction Finance Corp. to lend to private business, making a program totaling \$4,512,000,000.

The President also proposed to make additional bank resources available for the credit needs of the coun-1. Through the desterilization of ap-

proximately \$1,400,000,000 of Treasury gold. 2. Through the reduction of reserve

requirements by the Federal Reserve Board by about \$750,000,000 which he described as additional anpropriations for the fiscal year begin-

ning July 1, additional credit measures

and measures to provide new work

Measures Declared Essential. All three categories, the President insisted, are essential. "You and I cannot afford." he said to Congress. "to equip ourselves with two rounds of ammunition where three rounds are necessary." He was referring particularly to the proposals for additional expenditures for public works and similar activities—the so-called "pumppriming" expenditures. Pump-priming undistributed corporate profits tax and

attack on Capitol Hill. upon every group of the people-business, labor and all others—to join in plished beyond agreement that these a drive to end the downward spiral and aid recovery. He struck out par- differences can be considered. ticularly at "hate," and asked for "restraint" and an avoidance of appeals Chairman Harrison of the Senate available for loans on long-time basis to prejudice and "immoderate state- Finance Committee said, "but we apment" in the crisis which confronts the proached no agreement. We will meet

"Self-restraint," said the President, "implies restraint by articulate public trained to distinguish fact from falsehood, trained to believe that bitterness is never a useful instrument

There can be no dictatorship by an individual or by a group in this Nation save through division fostered by hate. Such division there must never be. Recommendations Summarized.

The President summarized his recommendations as follows: 1. Expenditures from the Treasury for work:

Works Progress Administration \$1,250,000,000 Farm Security Administration National Youth Administration Civilian Conservation Corps Public Works Adminis-

tration 100,000,000 Highways Flood control 37,000,000 Federal buildings \$2,062,000,000

2. Loans from the Treasury for work:

Farm Security Administration \$100,000,000 Public Works Administra-

tion 550,000,000 United States Housing Administration _____ 300,000.000

\$950,000,000 "New Money" Described. At the White House it was explained that the President's program calls for only \$1,712,000,000 of new money and for approximately \$950,000,000 of loans that will be repaid to the Government.

"New money" was described as follows: \$1,250,000,000 for W. P. A.: \$25,-000,000 new money for farm security; \$25,000,000 for the National Youth Administration; \$50,000,000 for the C. C. C. camps; \$450,000,000 for public works; \$100,000,000 for highways; \$37,-000,000 for flood control and \$25,-000,000 for Federal buildings. The "loans" were put down at

\$100,000,000 for Farm Security; \$550 .-000,000 for P. W. A. and \$300,000,000 for the Housing Administration The \$1,500,000,000 which the R. F. C. has been authorized to loan to

(See SPENDING, Page A-3.)

GEN. CHIANG REPORTED PURGING CHINA'S ARMY

Eight High Officers Executed, Say Hankow Reports-8 Others Get Prison Terms.

SHANGHAI, April 14.—Chinese dispatches from Hankow today told of a ordinary income, declaring that prefpurge in the Chinese army by orders erential treatment for this type of of Generalissimo Chiang Kai-shek.

It was said eight high-ranking offi- who depend upon salaries and divicers had been executed for embezzle- dends. ment, cowardice, plundering, mutiny or rape and eight others had been convicted of leaving posts without orders

By and large he concluded business ton and suburbs reads The Star would be helped rather than adversely affected by the House measure as an and thousands shop by it regular to and suburbs reads The Star Roosevelt.

Arlington women voters hear Mrs. Letter-Out. Page A-19 Cross-word Puzzle and thousands shop by it regular to a suburbs reads The Star Roosevelt.

By and large he concluded business ton and suburbs reads The Star Roosevelt.

Cross-word Puzzle and thousands shop by it regular to a suburbs reads The Star Roosevelt. or otherwise breaking discipline.

Text of Message

President Tells Congress of Need of Huge Spending Program to Speed Improved Conditions Through Country.

The text of the President's message to Congress on relief follows: The prosperity of the United States is of necessity a primary concern of Government. Current events, if allowed to run undisturbed will continue to threaten the security of our people and the stability of our economic life. The national administration has promised never to stand idly by and watch its people, its business system and its national life disintegrate. It is because the course of our economics has run adversely for half a year that we owe it to ourselves to turn it in the other direction before the situation becomes more definitely serious.

When this administration took office it found business, credit and agriculture in collapse. The collapse had followed on the heels of overspeculation in and overproduction of practically every article or instrument used by man. During the processes of overspeculation and overproduction-in the twenties-millions of people had been put to work, but the products of their hands had exceeded the purchasing power of their pocketbooks.

with the result that huge surpluses not only of crops, but also of buildings and goods of every kind overhung the market. Under the inexorable law of supply and demand, supplies so overran demand which would pay that production was compelled to stop. Unemployment and closed factories resulted. Hence the tragic years from 1929 to 1933. Downward Spiral

Declared Stopped. Starting in March, 1933, the Congress and the administration devoted themselves unceasingly not only to re-establishing reservoirs of credit, but to putting purchasing power in the hands of the consuming public and actually securing a more equitable distribution of the national income. Thus the downward spiral was stopped-and not merely stopped, but started on an upward course—a trend lasting through four years and a half.

In 1928 the national income was \$80,000,000,000; in 1932 it had fallen to less than \$40,000,000,000. Since the low point of 1932, each year, including 1937, has shown a (Continued on Page 4. Column 1.)

LENGTHY IMPASSE R. F. C. IS READY

The recommendations of the Presi- Senate Conferees Firm in \$1,500,000,000 Measure Is Opposition to Profits

and Gains Levies.

By JOHN C. HENRY.

after an hour's session this morning

Abiding by their determination not to yield on Senate elimination of the expenditures have been the subject of major modification of the capital gains tax, the Senate conferees em-The President in his message called erged first with the terse announcement that nothing had been accomtwo issues must be settled before other "We discussed these provisions,

again tomorrow morning.

Doughton Pessimistic.

Chairman Doughton of the House Ways and Means Committee sounded equally hopeless 'We discussed the whole situation,'

he said, "but we didn't agree on anything, we didn't vote on anything and we didn't do anything. Asked if any sign had been given

Doughton declared emphatically there had been not the slightest "No bill can be constructed until these two provisions are disposed of," Senator Walsh, Democrat, of Massachusetts told reporters. "By the Senate treatment of these two issues we were able to reject the liquor tax increase of the House bill and to reduce such excise taxes as those on automobile tires and yet leave an estimated

than the House measure. "If we should retreat on the two controversial items, the whole bill offices. would be thrown out of balance and would require restoration of the excise

Roosevelt Letter Aired.

Senator Walsh admitted that vesterday's letter from President Roosevelt, urging acceptance of the House provisions on these two major sections, had been discussed in "asides" at today's session.

As the conference stalemate developed, a backfire in support of the Senate provisions apparently was getting under way in the House chamber under the leadership of Representative Commenting specifically with regard to the President's relief message, Mr. O'Connor stressed that a most desirable course of action would be the enactment at once of the tax bill "substantially as it passed the Senate thus eliminating the objectionable corporate undistributed profits tax and modifying the capital gains tax."

The House bill modifies the present undistributed corporate profits tax by reducing the range of the penalty rates and makes new graduations in the portion of capital gains to be taxed as income. The Senate bill eliminates the profits levy in favor of a flat income rate of 18 per cent and likewise applies a flat 15 per cent rate to long-term capital gains.

Modifications Stressed. In his letter yesterday, President Roosevelt emphasized particularly the desirability of House modifications of the undistributed profits tax, but made clear his wish that the penalty principal not be discarded. The major injustice of the present law he conceded is in its application to small corporations which would get preferential treatment under the House

He presented also a defense of the theory of considering capital gains as earnings would be an injustice to those

alternative to the Senate version.

Signed—Reasonable Security Asked.

Revenue Act of 1938 as they recessed and States and cities, asked the Na- dent Roosevelt has been seeking other basis. His speech was broadcast to all

they cannot meet. "The security put up by borrowers must be reasonable." he declared, "but naturally we expect to make loans which the banks consider slow, frozen

or unliquid. "In fact, we've already set about

a formula of co-operation with the banks." day a measure making the money increase in net revenue.

by the Reconstruction F.nance Corp. would make capital investments more tion to further steps as may be neces-

attractive and would also forestall sary to reduce, or eliminate, the defi-Jones Issues Warning. his insistence on "reasonable" security, however, he warned that

"we're not going to lend all the money in the country. Details of lending \$1,500,000,000 were not expected to trouble the big that either faction would yield. Mr. Federal corporation-it has disbursed

almost seven times that much in six Financial bulwark of most of the New Deal's spending efforts, the R. F. C. was created by the Hoover administration on February 2, 1932. Even its

present chairman was appointed to the Board of Directors by President Hoover. Mr. Jones' fellow directors now are Charles B. Henderson, C. B. Merriam Emil Schram and Howard J. Klossner

revenue vield of \$20,000,000 more There are about 2.500 employes-half in Washington and half in 28 branch

Studies Business Problems. The staff studies loans and other business problems-the feasibility of consolidating certain railroads, for instance. Some employes, like Special Counsel Thomas G. Corcoran, who is reputed to be the author of much House-sponsored legislation,

cover many outside fields. The R. F. C. has lent \$3,195,000.000 to more than 7,000 banks, \$537,000,000 to 75 railroads, \$1,400,000,000 to agridiately, the Chinese Red Cross incultural financing institutions and about \$110,000,000 to about 2,000 individual businesses. In addition, it provided more than \$2,000,000,000 of relief funds for the Treasury and has bought more than \$500,000.000 worth of municipal securities from the Pub-

lic Works Administration. Excluding the relief, P. W. A. and certain other inter-agency transactions, the R. F. C. has made \$6,512,-500,000 worth of loans, of which \$2,-060,000,000 are unpaid.

Shopping Tomorrow

The weather promises to continue warm and tomorrow will bring out the late Easter shoppers-the morning will be the best shopping hours. Look in today's Star for some of the most attractive things offered by the stores.

Yesterday's Advertising Local Display

The Evening Star_____36,291 2d Newspaper _____20,622 3d Newspaper _____14,470 4th Newspaper _____ 8,836 5th Newspaper ____ 7,675

Total 4 other newspapers .. 51,603

Nearly everybody in Washingularly

Majority Ruling. BACKGROUND-In an effort to bolster their

finances, the railroads, in midwinter, petitioned for a 15 per cent freight increase, and Eastern lines sought to raise coach fares from 2 to 212 cents per mile. A freight increase of less than half the amount asked was granted last month, but the passenger jare issue

Increase of Half Cent Per

Mile Is Not Justified,

I. C. C. Declares.

IS ORDERED RETAINED

Should Not Be Disturbed During

Business Recession, Says

SCALE OF TWO CENTS

was held up until today. By the Associated Press. The Interstate Commerce Commission today denied an application by the Eastern railroads for permission to in-MONROE DOCTRINE crease passenger coach fares from 2

The commission, in its order, said it found the proposed increase not jus-

to 212 cents a mile.

Railroads had estimated the halfcent increase would have added \$30 -000,000 to their revenues. Boundaries of Territory.

The Eastern territory in which the increase was sought is bounded on the west by Lake Michigan, Chicago, Peoria and Springfield, Ill.: St. Louis Mo., and Cairo, Ill. From Cairo the southern boundary of the territory follows the Ohio River to Huntington, W. Va., then extends eastward to the Norfolk, Va., area.

originally was part of a request by coming from outside." the carriers for a 15 per cent freight rate increase to bolster dwlindling rail revenues and relieve financial

freight rate boosts which, it is esti- Monroe Doctrine-without naming ittion's bankers today to turn over to means of aiding the carriers and only American Republics. his corporation the loan applications this week put the problem up to Congress.

Says Case Not Proved.

In ruling on the request for the passenger rate increase, a majority of the commission said the 2-cent basic fare "should not be disturbed, espedoing that and we're now working out cially during a period of business recession, except on a persuasive showing that a basis different from the President Roosevelt signed yester- present would result in a substantial

"Such a showing," the majority added, "has not been made. Appli-Mr. Jones said he expected the loans cants should at once give considerasacrifice disposals of surplus stocks, cits from head-end and Pullman

The 11-man commission divided six to five in its decision. The dissenters were Joseph B. Eastman, Frank Mc-Manamy, Charles D. Mahaffie, Carroll Miller and John Rogers.

Willing Risk Be Taken.

Mr. Eastman, in a dissent, said it seems folly, at this stage and with ments in Latin American countries such slight hope of gain" to risk a totaling billions of dollars. "most promising tendency" to travel

us to remove this matter from the original investment minus depreciarealm of managerial judgment to the tion.

posed fares will not be unlawful."

Seek Funds for Quinine.

NEW YORK, April 14 (A).-Funds purchase one ton of quinine, enough to treat 35,000 Chinese for malaria, were sought in a campaign today by the Chinese Student League. Three or four tons are needed immeformed the league.

Roosevelt, in Broadcast, Bars Peace Threat From Outside.

President Roosevelt declared today the American nations would not permit peace in the Western Hemisphere The passenger fare application "to be endangered from aggression

Speaking on Pan-American Day to the Governing Board of the Pan-American Union, the President re-Last month the I. C. C. granted asserted in a few words the historic tional annually. Since then Presi- and placed it on an inter-American

Asserting that the 300,000,000 citizens of this hemisphere have the same material for controversy which exists elsewhere, he said:

"Yet, we have undertaken contractual obligations to solve these normal human differences by maintaining peace; and that peace we are firmly resolved to maintain.

"It shall not be endangered by controversies within our family; and we will not permit it to be endangered from aggression coming from outside of our hemisphere." The President laid down a brief

program "Our ideal is democratic liberty. 'Our instrument is honor and friendship.

'Our method is increased understanding. "Our basis is confidence."

Mr. Roosevelt spoke while the State Department was trying to solve the problem raised by Mexico's confiscation of American oil wells. The settlement may establish a principle that would affect invest-

The principle is that Latin American nations in their national interest "However, I am not prepared to say may expropriate foreign-owned propthat there is enough evidence before erties by paying the amount of the

The total valuation of United States "This being so, while my own properties in those nations would judgment differs sharply from that shrink enormously on this basis. But of the railroad management, I feel officials believe such a settlement that they are entitled to take the risk, would discard, perhaps forever, any if that is what they want to do. I policy of "dollar diplomacy" and exwould find, therefore, that the pro- change the position of bosses for that of good neighbors.

> Aside from the Mexican oil situation, Pan-American Day takes place this year amid general good feeling among the Americas.

There is no war in the Western Hemisphere. Arbitration has again. in the last year, been a success, averting possible conflict between Haiti and Santo Domingo. A special feature of the Pan-

(See PAN-AMERICAN, Page A-5.)

Summary of Today's Star

Page. , SPORTS. Obituary ___ A-14 Rookie Wright will play right C-4-5 Radio -----C-7

arms spur. Rome Saturday. Britain studying lung-term loans to Chinese. Page A-3 Rebels 9 miles from seacoast in La David Lawrence. Jana capture. Chinese report fresh successes in Shantung campaign.

Long deadlock seen on U. S. tax Page A-1 President reasserts Monroe Doctrine in Pan-American message. Page A-1 Curb shares uneven (table). C. C. rejects eastern railroads' plea for half-cent fare boost. Page A-1 Used car total cut. U. S. Navy hunts mystery fleet near Philippines. Page A-7

WASHINGTON AND VICINITY. Roosevelt signs bill closing road for Page A-14 After Dark. Bedtime Story. airport safety. Page A-19 Cross-word Puzzle. May 9.

field for Nationals. Page D-1 loop flag by writers. never gets any publicity. Page D-2 Dartmouth, Rice, Southern California seen as grid leaders. Page D-3

Page A-12 Page A-13 Page A-13 Page A-13 Page A-13

Rail bonds under pre, ure (table) Clearings drop sharply. Page A-23

City News in Brief. Nature's Children. Page B-1 Shipping News.

IN THE SPRINGTIME

New Golf Pro

(Story on page A-2.)



WILFRED (WIFFY) COX. Named today as professional at Congressional Country Cox came to Washington in 1935 from Brooklyn and has been serving as pro at the Kenwood Club, just a short

Extraordinary Powers Will Be Used for Spurring Arms Program.

BACKGROUND-Edouard Daladier formed French cabinet last Sunday to succeed Premier Leon Blum, who resigned last Friday on refusal of French Senate to vote him requested dictatorial power over French finance and economy. Daladier received overwhelming votes of approval for his use of decree powers from both Chamber of Deputies and Senate.

By the Associated Press.

PARIS, April 14.—"The strong man of the French Army," Premier-War Minister Edouard Daladier, began to- Man. Giving Job as Salesman, Is day a three-and-one-half-month virtual dictatorship of France with swift measures to speed armament production by ending widespread strikes. The dynamic Premier warned that

future strikes, and he named a superarbitrator with absolute power to halt those now tying up the armament

Pierre Jacomet, M. Daladier's trusted lieutenant, was authorized to out- custody Saturday and indicted by the line the terms under which the gov- grand jury on Tuesday. ernment would force back to work

M. Jacomet, permanent undersecrecalled in after the failure yesterday of workers' and employers' represen- George Devoe, who made the arrest, tatives in the privately-owned metallurgical plants to agree.

day in the nationalized munitions M. Daladier now plans a decree to

as a political weapon. Both houses of Parliament, th Senate acting yesterday, voted M Daladier's cabinet the decree powers almost unanimously before adjourning. Except for self-imposed promises not to establish exchange control. impose a special tax on capital or revalue gold stocks, the premier was given absolute power in economic and of a House of Representatives comfinancial matters.

LeBrun Check. In the meantime, President LeBrun is the only check on the ministry. He Page A-23 must meet with the cabinet when decrees are to be promulgated. The startingly overwhelming vote

in both houses of Parliament-considered to be due to personal confi-

Page D-9

Frenchmen, generally. who long election from the fourth congressional district.

Frenchmen, generally. who long election from the fourth congressional district.

REVISED PRIVILEGE TAX HERE FAVORED BY SENATE GROUP

Tentative Approval Given Changes at Meeting of Committee.

EXEMPTION IS LOWERED FROM \$2,000 TO \$1,000

Rates Ranging From One-Tenth to Four-Tenths of 1 Per Cent Indorsed at Parley.

BACKGROUND-

The task of finding means of raising \$1,200,000, estimated yield of proposed local income tax, was given Senate after House killed income levy plan in revolt against provision exempting Congress members and other selected groups.

By J. A. O'LEARY. The Senate District Committee gave tentative approval today to a revamped business privilege tax, with a graduated scale of rates, and the following other important changes in this year's

The exemption is lowered from \$2,000 to \$1,000. Repeal of the deduction now allowed for tangible personal tax payments in

computing the gross receipts tax. A clarifying provision to apply the gross receipts tax to rentals from real and personal property. District officials explained this will take in rentals from houses, whereas this year the tax was held to apply only to apartments. A new definition specifically applying the tax to all persons conducting or operating business in commerce, interstate or otherwise.

New Rate Schedule. In place of the flat rate of two-The House Labor Committee voted fifths of 1 per cent in the present one-tenth to four-tenths of 1 per

to give District officials additional time to perfect the language of the The committee acted on the wage changes tentatively accepted. Chairdifferentials after rejecting the Rams- man King said he would call the compeck subcommittee's more flexible mittee together to take formal action measure, which would have empowered as soon as the city officials have the an independent agency to impose a draft completed, probably tomorrow, All day vesterday the committee debated other means of bringing the House bill up to the city's revenue need of about \$4,500,000. The estimated revenue was decreased by \$1 --300,000 when the House killed the income tax Monday. After becoming convinced that either a sales tax or a revived income tax would face a stormy journey through the remaining stages of enactment, the commit-

> receipts tax. Tydings Goes Along. Discussing the tentative decision today, Senator Tydings, Democrat, of Maryland, a leading opponent of the

gross receipts tax, said: "It is an unfortunate form of tax, but my present disposition is not to try to upset the work of the commit-

tee. Chairman King said he would have preferred an income tax "applying to every one in Washington, including members of Congress," but pointed out it did not seem possible to get it Questioned whether he thought the through: If the committee gives for-House Rules Committee, which blocked mal approval to the completed draft tomorrow, Senator King plans to report the measure promptly to the

> committee today were Commissioner Hazen, Corporation Counsel Seal Special Assistant Corporation Counsel Morgan and District Budget Officer Donovan. Officials would not venture a pre-

Among those who met with the

Senate and seek early action

diction on the revenue yield of the revised business tax in advance of a report on the bill, but indications were they believe it will raise at least as much and probably more than was needed to replace the defeated income

One-Tenth Per Cent. In the new business tax, which the were arrested in different sections of committee has under consideration. the bottom rate of one-tenth per cent new numbers law, which makes pos- of gross receipts would apply where sible the arrest of persons known to the spread or difference does not ex-

> sold. The other steps are: Two-tenths where the spread is between 3 and 6 per cent. Three-tenths where the spread is be-

> tween 6 and 9 per cent. Four-tenths when profits are in excess of 9 per cent. The commissioners are understood to have expressed yesterday a prefer-

ence for a sales tax, with the revised tary of the defense ministry, was ceived from "outside sources" that he business privilege tax as second choice. While there is some sentiment in the Senate committee for the sales said Porter had on his person \$599 in tax, all signs point to adoption of the second suggestion, in view of the fact the Senate struck out the sales tax last year after it had been recommended by the committee. After the committee had spent sev-

eral hours yesterday canvassing the

local tax problem Senator McCarran. Democrat, of Nevada declared his belief the Federal Government should bear a larger share of the cost of maintaining the Capital City.

Warmth to Stay Few Days, Says Weather Bureau

Warm weather is here to stay, at

least for the next few days, the forecaster announced today in predicting a maximum of about 86 degrees this afternoon. The previous "high" this year was 85 on March 22. Shortly before noon the reading was

80, quite a jump from the 50 recorded at 5:30 a m Today is expected to be cloudless, but tomorrow probably will be partly

overcast and continued warm. Although declining to make a long-Smith, also filed his pledge for re- the Weather Bureau admitted there

D-8-9 Short Story D-4 Giants picked to win National Editorials __ A-12 | Society ____ B-3 D-1-3 Hardest worked Yankee pitcher Lost & Found D-4 Woman's Pg. C-6 FOREIGN. Daladier starts dictatorial rule with Page A-1 EDITORIAL AND COMMENT. Anglo-Italian accord to be signed in Editorials.

Page A-1 This and That Stars Men and Atoms Answers to Questions. The Capital Parade. Page A-6 Mark Sullivan. Jay Franklin. Page A-10 Delia Pynchon

> Stocks sell off (table). Cotton activity improves. MISCELLANY. Vital Statistics.

a fixed minimum wage administered distance from his new post. by the Justice Department. Chairman Norton said the commit-

tional and asserted he would file a minority report

"I think it leaves us out in the

his first use of the extraordinary powers given his national defense cabinet the city today and charged with op-Parlament would be to control erating a lottery, as provided in the

the approximately 157,000 metal workers if they refused to accept his arbi-Conferees Fail to Agree.

Similar arbitration sent tens

Page B-2 dence in M. Daladier-seemed assur-Page B-5 ance that the President would not Page B-8 seek to interfere with the premier's practice pledge with the secretary of Page D-4 efforts to strengthen the national de- state. Page D-8 | fense and put France back on a sound | Page D-8 financial footing.

FROM WAGE BILL House Labor Body Acts After Rejecting Ramspeck Measure. By the Associated Press.

today to eliminate all differentials law, the new schedule ranges from from wage-hour legislation now being cent, depending on the spread bedrafted. Members predicted a grad- tween purchase and sale prices. uated minimum wage starting at 25 The committee adjourned at noon

graduated minimum wage ranging from the average for each occupation to 40 cents an hour These steps made the legislation conform more closely to demands of the American Federation of Labor for

tee would meet again as soon as the House adjourns today to work on the new bill. Some members said they tee turned to a revision of the gross thought it could be completed by nightfall Republican members said they believed the new bill would be further

amended to provide for annual increases in the minimum wage until it reaches 40 cents an hour. Representative Ramspeck, Democrat, of Georgia, chairman of the subcommittee which recommended the flexible measure, told newsmen he would not support the new bill because he believed it to be unconstitu-

wage-hour legislation for months last year, would approve the new bill, Representative Ramspeck said:

NUMBERS ACTIVITY CHARGED TO PAIR

Said to Have Had \$714 in Cash and Checks. Two persons, a man and a woman,

have numbers slips in their possession. The first person arrested under the law, a colored man, was taken into The man arrested today gave his name as James Reed Porter, 32, of 1420 First street N.E. and his occupation as a salesman. Police arrested him at First street and Florida avenue N.E. on information they said they rewas receiving numbers bets. Sergt.

cash and \$115 in checks. The woman, a nurse, gave her name thousands back to their jobs yester- as Helen Ennis of the 1500 block of M street N.W. She was arrested in the 1900 block of Pennsylvania avenue N.W. by police, who said they took force government supervision of strike her into custody immediately after votes to halt what government in- they had placed numbers bets with vestigators said was use of the strike her for use as evidence.

> Dr. Townsend Off Today. LOS ANGELES, April 14 (AP).-Dr. Francis E. Townsend, head of the old-age pension plan bearing his name, said he will leave here tonight by plane for Washington to begin serving his jail sentence for contempt

He will stop for a day in Chicago,

Dr. Townsend said, arriving at the

Capital by Saturday. Two Representatives File. LITTLE ROCK, Ark., April 14 (AP).-

William J. Driver of Osceola, dean of Arkansas Congressmen, announced his candidacy for re-election in the first district today. He filed a corrupt-